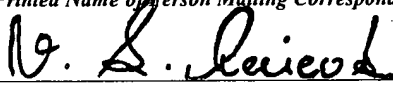


<b>CERTIFICATE OF MAILING BY "EXPRESS MAIL" (37 CFR 1.10)</b>			Docket No. <b>98-112</b>	
Applicant(s): <b>JAY S. WALKER et al.</b>				
Application No. <b>09/221,099</b>	Filing Date <b>December 28, 1998</b>	Examiner <b>P. Elisca</b>	Customer No. <b>22927</b>	Group Art Unit <b>5153</b>
Invention: <b>PRE-SALE DATA BROADCAST SYSTEM AND METHOD</b>				
I hereby certify that the following correspondence: <div style="border: 1px solid black; height: 50px; margin-top: 10px; padding: 5px;"><b>APPEAL BRIEF</b></div> <p style="text-align: center; font-size: small;">(Identify type of correspondence)</p> <p>is being deposited with the United States Postal Service "Express Mail Post Office to Addressee" service under 37 CFR 1.10 in an envelope addressed to: Commissioner for Patents, P.O. Box 1450, Alexandria, VA 22313-1450 on</p> <div style="margin-top: 20px;"><div style="display: flex; justify-content: space-between;"><div style="width: 40%;"><u>September 1, 2004</u> <small>(Date)</small></div><div style="width: 55%; text-align: center;"><div><b>Veronika S. Leliever</b> <small>(Typed or Printed Name of Person Mailing Correspondence)</small></div><div style="margin-top: 10px;"> <small>(Signature of Person Mailing Correspondence)</small></div><div style="margin-top: 10px;"><b>EV434178604US</b> <small>("Express Mail" Mailing Label Number)</small></div></div></div></div>				
Note: Each paper must have its own certificate of mailing.				
<div style="border: 2px solid black; padding: 10px; width: fit-content; margin: 0 auto;"><div style="text-align: center;"><b>RECEIVED</b></div><div style="text-align: center; margin-top: 10px;"><b>SEP - 2 2004</b></div><div style="text-align: center; font-size: small; margin-top: 10px;"><b>U.S. PATENT AND TRADEMARK OFFICE BOARD OF PATENT APPEALS AND INTERFERENCES</b></div></div>				

**TRANSMITTAL OF APPEAL BRIEF (Small Entity)**Docket No.  
98-112In Re Application Of: **JAY S. WALKER et al.**

Application No.	Filing Date	Examiner	Customer No.	Group Art Unit	Confirmation No.
09/221,099	December 28, 1998	P. Elisca	22927	3621	5153

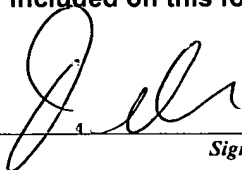
Invention:

**PRE-SALE DATA BROADCAST SYSTEM AND METHOD**COMMISSIONER FOR PATENTS:

Transmitted herewith in triplicate is the Appeal Brief in this application, with respect to the Notice of Appeal filed on:

☒ Applicant claims small entity status. See 37 CFR 1.27The fee for filing this Appeal Brief is: 0

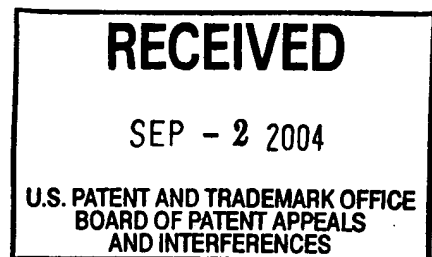
- ☐ A check in the amount of the fee is enclosed.
- ☒ The Director has already been authorized to charge fees in this application to a Deposit Account.
- ☒ The Director is hereby authorized to charge any fees which may be required, or credit any overpayment to Deposit Account No. 50-0271
- ☐ Payment by credit card. Form PTO-2038 is attached.

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Signature

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Dated: September 1, 2004

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Signature of Person Mailing Correspondence

Veronika S. Leliever

Typed or Printed Name of Person Mailing Correspondence

## TRANSMITTAL OF APPEAL BRIEF (Small Entity)

Docket No.  
98-112

In Re Application Of: JAY S. WALKER et al.

Application No.	Filing Date	Examiner	Customer No.	Group Art Unit	Confirmation No.
09/221,099	December 28, 1998	P. Elisca	22927	3621	5153

Invention:

PRE-SALE DATA BROADCAST SYSTEM AND METHOD

COMMISSIONER FOR PATENTS:

Transmitted herewith in triplicate is the Appeal Brief in this application, with respect to the Notice of Appeal filed on:

☒ Applicant claims small entity status. See 37 CFR 1.27The fee for filing this Appeal Brief is: 0

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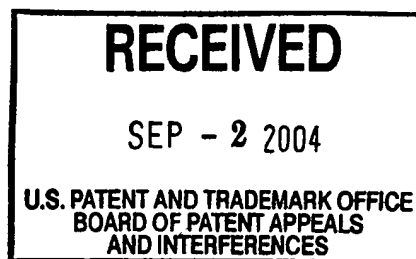
**WARNING: Information on this form may become public. Credit card information should not be included on this form. Provide credit card information and authorization on PTO-2038.**

  
Signature

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Dated: September 1, 2004

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Veronika S. Leliever

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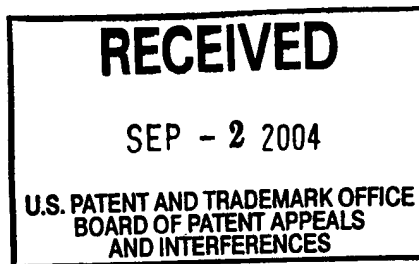
**IN THE UNITED STATES PATENT AND TRADEMARK OFFICE**

Appellants:	)
Jay S. Walker, Daniel E. Tedesco,	) Group Art Unit: 3621
Magdalena Mik	)
	) Examiner: P. Elisca
Application No.: 09/221,099	)
	) <b>APPEAL BRIEF</b>
Filed: December 28, 1998	)
	) Attorney Docket No. 98-112
For: <b>PRE-SALE DATA</b>	)
<b>BROADCAST SYSTEM AND</b>	) Customer No. 22927
<b>METHOD</b>	)

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**BOARD OF PATENT APPEALS  
AND INTERFERENCES**

Mail Stop: Appeal Brief  
Commissioner for Patents  
P. O. Box 1450  
Alexandria, VA 22313-1450



Appellants hereby appeal to the Board of Patent Appeals and Interferences from the decision of the Examiner in the Office Action mailed June 1, 2004 (Paper No. 25), rejecting claims 17 - 26, 80, 86 and 87.

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**APPENDIX A: CLEAN COPY OF CLAIMS INVOLVED IN THE APPEAL**

**APPENDIX B: INDEPENDENT CLAIMS INVOLVED IN THE APPEAL**

## **REAL PARTY IN INTEREST**

The present application is assigned to Walker Digital, LLC, 1177 High Ridge Road, Stamford, CT 06905.

## **RELATED APPEALS AND INTERFERENCES**

Appellants are not aware of any appeals which might be considered to directly affect, be directly affected by or have a bearing on the Board's decision in the pending appeal.

## **STATUS OF CLAIMS**

Claims 17 - 26, 80, 86 and 87 are pending in the present application and are being appealed.

All claims stand rejected under 35 U.S.C. § 103(a) as being obvious in light of a combination of:

- WO 97/08638 to Fraser;
- U.S. Patent No. 5,845,259 to West;
- U.S. Patent No. 5,832,458 to Jones, and
- U.S. Patent No. 6,684,195 to Deaton.

## **STATUS OF AMENDMENTS**

No amendments were filed subsequent to final rejection.

## SUMMARY OF INVENTION

In general, the presently claimed embodiments permit manufacturers to market products directly to consumers at the time of purchase. Prior to completing the sale of an original product at a POS terminal, one or more manufacturers can offer comparable substitute products to a customer during that sale. As such, manufacturers can enhance their marketing efforts. [Present Application, Summary of the Invention, Page 3, lines13 - 17]

In one embodiment of the present invention, the method for promoting the sale of substitute products includes receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal; determining a substitute product to be offered to the consumer during a transaction session; and offering the substitute product to the consumer before the transaction session terminates. [Present Application, Summary of the Invention, Page 3, lines18 - 22]

## ISSUES

Whether all pending claims are obvious in light of a combination of Eraser, West, Jones and Deaton.

## GROUPING OF CLAIMS

All claims stand and fall together.



## ARGUMENT

### Summary of Argument

For two primary reasons, the Examiner has not made a prima facie case of obviousness of any claim.

First, the references under any reasonable interpretation completely fail to suggest several limitations that are recited in all independent claims. Among other failings, the references completely lack any hint of:

✓ *transmitting transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer*

and

*upon receipt of information regarding a substitute product from said remote server, offering said substitute product to said consumer before the transaction session terminates*

Second, the Examiner's entire obviousness case is essentially a conclusory analysis, without any teaching for the proposed modifications and combinations in the prior art of record.

Accordingly, the rejections are inappropriate and Appellants respectfully request that the rejections be reversed.

Form of this Appeal Brief

In the arguments herein, limitations of the claims are indicated in *italics*, and the references of record are indicated by underlining.

In separate arguments of patentability of different Groups, Appellants have, where possible, referred to prior arguments to avoid undue repetition.

In the arguments below, Appellants refer to:

Appellants' Response (Amendment and Response mailed September 9, 2002); and

the "Office Action" (Final Office Action mailed January 22, 2003).

## 1. The Independent Claims are Patentable

As discussed below, the rejection of the claims is flawed because the Examiner has not made a prima facie case of obviousness of any independent claim. The Examiner has not shown all limitations of any claim to be disclosed or suggested by the references. The rejection is also based on improper combinations and modifications of the references without adequate motivation in the prior art for making the proposed combinations and modifications.

Claims **17, 80, 86 and 87** are independent.

Claim **17** is a method claim, claim **80** is a corresponding means-plus-function claim, claim **86** is a corresponding claim directed to computer executable software code stored on a computer readable medium, and claim **87** is a corresponding claim directed to a computer readable medium having computer executable software code stored thereon.

## 2. Limitations of the Independent Claims

Every independent claim generally recites the following limitation:

*transmitting transaction data [regarding an original product presented for purchase by a consumer at a point of sale terminal] to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer*

and also recites

*offering (or transmitting an offer of) said substitute product to said consumer before the transaction session terminates*

### **3. Advantages of the Independent Claims**

The embodiments of the independent claims provide several advantages not even recognized, much less disclosed or suggested, by the prior art of record, either alone or in combination. These advantages render the claimed subject matter nonobvious over the cited art.

In general, the presently claimed embodiments permit one or more manufacturers to offer substitute products to a customer during a time when the customer is already purchasing something.

Since such customers have already indicated their readiness to purchase a product, the manufacturers are assured that their marketing efforts have an increased chance of success, especially if the substitute product is selected appropriately. As such, the presently claimed embodiments provide manufacturers a greater opportunity to compete with other manufacturers at retail locations.

By directly marketing to customers at the time of purchase, but prior to consummation of the purchase, manufacturers are able to market directly to customers at a time when the customer is literally making a purchase. This greatly enhances the marketing efforts by making the offer to a customer known to have certain needs.

A great many more advantageous and diverse uses of the claimed invention, both explicit and implicit in the present Application, are possible and would be apparent to those of skill in the art based on the Appellants' disclosure.

#### **4. No Prima Facie Showing of Unpatentability of the Independent Claims**

Several limitations are not disclosed or suggested by the references of record. Accordingly, the Examiner has not presented a prima facie case of obviousness of any independent claim.

##### Applicable Law

The Examiner bears the burden of establishing a prima facie case of obviousness based upon the prior art. In re Fritch, 972 F.2d 1260, 1265 (Fed. Cir. 1992). To reject claims in an application under section 103, an examiner must show an unrebutted *prima facie* case of obviousness. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

The factual predicates underlying an obviousness determination include the scope and content of the prior art, the differences between the prior art and the claimed invention, and the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The secondary considerations are also essential components of the obviousness determination. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998).

In order to rely on a reference as a basis for rejection of the applicant's invention, the reference must either be in the field of the applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned. In re Oetiker, 977 F.2d 1443, 1447 (Fed. Cir. 1992).

When a rejection is based on a combination of references, the Examiner can satisfy the prima facie burden only by showing some objective teaching leading to the purported combination of references. In re Fritch, 972 F.2d 1260, 1265 (Fed.

Cir. 1992). Lacking a motivation to combine references, there is no prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998).

Finally, during examination, claims are given their broadest reasonable interpretation consistent with the specification. In re Hyatt, 211 F.3d 1367 (Fed. Cir. 2000). The “PTO applies to verbiage of the proposed claims the broadest reasonable meaning of the words in their ordinary usage as they would be understood by one of ordinary skill in the art, taking into account whatever enlightenment by way of definitions or otherwise that may be afforded by the written description contained in applicant’s specification.” In re Morris, 127 F.3d 1048, 1054-55 (Fed. Cir. 1997).

**4.1. No showing that the references suggest *transmitting transaction data [regarding an original product presented for purchase by a consumer at a point of sale terminal] to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer***

No reference even addresses the ability of a *manufacturer* to determine a possible substitute product to be offered to a consumer during a transaction session.

Fraser

(The Office Action on page 2 refers to page numbers, presumably of the Fraser reference. If this is incorrect, please clarify by column / line and / or figure which portions of which reference are believed to disclose or suggest the subject matter purported in the Office Action.)

With respect to the limitation of *transmitting transaction data [regarding an original product presented for purchase by a consumer at a point of sale terminal] to a remote server of a manufacturer*, the Examiner alleges on page 2 of the Office Action that the prior art of record "substantially discloses:

"transmitting the transaction data to a remote server of a manufacturer during a transaction session for determination of a possible offer to the consumer "

However, Fraser clearly does not disclose that anything whatsoever is *transmitted to a remote server of a manufacturer*. In fact, Fraser clearly teaches that an operator at the store decides what is an equivalent product. See, e.g., page

6, lines 19 - 24. This equivalent product is then stored in memory for retrieval when certain products are purchased. See, e.g., Eraser, page 6, lines 12 - 15. In Eraser, "equivalent products" are essentially the same goods but are of different brands / manufacturers. See, e.g., Eraser, page 4, lines 9 - 12; page 6, lines 19 - 21.

In Eraser, when a certain product is to be purchased, a display means displays (1) the price of the product to be purchased, and (ii) the amount of money that the customer would save by purchasing an "equivalent product". See, e.g., Eraser, page 8, lines 7 - 12.

The Eraser system is used by the store to promote goods, typically less expensive but equivalent goods. See, e.g., Eraser, page 8, line 19 - page 9, line 10; page 9, lines 13 - 19; page 10, lines 18 - 23.

Specifically, Eraser is concerned with allowing a retailer to advertise to its customers (e.g., Eraser, page 1, lines 20 - 21) and allowing the retailer to choose which particular merchandise it will promote (e.g., Eraser, page 3, lines 12 - 15; page 4, lines 10 - 12; page 6, line 19 - page 7, line 4; page 8, line 19 - page 9, line 10; page 9, lines 14 - 19). For example, a supermarket could promote its own "house brand" of a product over a product of third party manufacturer. Eraser, page 3, lines 12 - 15.

There is no hint or suggestion in Eraser that a **manufacturer** could or should be benefited in any way, much less of allowing a manufacturer to market substitute products to customers during a sales transaction. For example, while in Eraser the retailer judges two products as identical for purposes of recommending a substitution, in the present invention such determination may be made by one or more remote manufacturers. In Eraser there is no hint or suggestion of providing manufacturers with a greater opportunity to compete with other manufacturers at retail locations. Similarly, in Eraser there is no hint or suggestion of a



manufacturer determining that it would be more profitable if the customer were to purchase the manufacturer's product rather than a competitor's product.

In fact, Eraser teaches away from the present invention by suggesting that the system of Eraser it is preferred for a retailer to promote its own brand over those of manufacturers. Eraser, page 3, lines 12 - 15. Clearly, this teaches away from the present invention, which can aid manufacturers by allowing a manufacturer to market directly to customers during a sales transaction. Specification, page 5, lines 1 - 2.

### West

On page 3 of the Office Action, the Examiner concedes that both Eraser and Deaton "fail to disclose the used [sic] of a remote server [of a] manufacturer".

On pages 3 - 4 of the Office Action, the Examiner asserts that West "discloses a point of sale including a terminal having a data reader transaction data, a remote retailer and manufacturer or remote server retailer manufacturer coupon redemption (see, col 2, lines 24-30, col 3, lines 31-37, col 4, lines 20-22). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the invention was made to add a retailer and a manufacturer remote server as taught be West into the point of sale terminal of Fraser and Deton because it would have been to eliminating the need for the manual collection of data transmission (see, West, col 3, lines 35-37)."

However, the cited portions of West have nothing to do with *transmitting* anything to a remote server of a manufacturer during a transaction session. For example, customers select which coupons they desire from a device. See, e.g., West, FIG. 1; col. 3, line 55 - col. 5, line 7; col. 6, lines 1 - 25 and FIGs. 3A - 3E.

The cited portion col. 2, lines 24 - 30 of West appear to generally disclose the need to target coupons to specific areas or stores, and to reduce the float period

of coupons to benefit the manufacturer. Col. 3, lines 31 - 37 of West appear to generally disclose that coupon redemption is tracked by a central database and transmitted to the manufacturer. Col. 4, lines 20 - 22 of West appear to generally disclose that there is a remote manufacturer coupon redemption data base facility 20.

### Jones

Of page 4 of the Office Action, the Examiner asserts that Jones "discloses an audit system processor that is remotely located from the retail store for receiving the processed retail sales transaction data for subsequent use by MANUFACTURER see, abstract, col 1, lines [sic] 32, col 3, lines 6 - 28".

However, the cited portions of Jones have nothing to do with *transmitting anything to a remote server of a manufacturer during a transaction session*. For example, coupon redemption data is forwarded to manufacturers for settlement. See, e.g., Jones, col. 3, lines 6 - 28. The abstract of Jones generally discloses that an audit system processor, which is remotely located from the retail store, receives the processed retail sales transaction data for subsequent use by manufacturers. Col. 3, lines 6 - 28 of Jones generally disclose that data corresponding to the coupon redemption is electronically captured and forwarded to a central processor. There the data is divided electronically by manufacturer and sent to individual manufacturers or their clearinghouses for settlement.

Thus, the Examiner has not shown that the references, alone or in combination, disclose or suggest this limitation. The rejection fails for at least this reason.

**4.2. No showing that the references suggest *upon receipt of information regarding a substitute product from said remote server [of a manufacturer], offering said substitute product to said consumer before the transaction session terminates***

The Examiner incorrectly asserts that this limitation is suggested by Eraser (Office Action, page 3). In fact, none of the references suggest this limitation. Specifically, no reference discloses:

On page 3 of the Office Action, the Examiner asserts that Eraser "substantially discloses":

"upon receiving of information regarding a product from the remote server, offering the product to the consumer before the transaction session terminates (see., abstract, lines 4 and 5, wherein said the signal is also used to identify a product which is equivalent to the product to be purchased and to retrieve the price of the equivalent product, page 4, page 8, page 9 and 15)"

Eraser

On page 3 of the Office Action, the Examiner concedes that Eraser does not "disclose a substitute product offer". In fact, in Eraser there is no suggestion of anything related to a manufacturer

Deaton

On page 3 of the Office Action, the Examiner asserts that

"Deaton discloses a selective incentive point-of-sale marketing in response to customer shopping histories where the manufacturer may then be substituting one cookie in the product line for another (see., abstract, col 104, lines 45-62)."

However, the cited portions of Deaton have nothing to do with

*information regarding a substitute product,*  
much less  
*offering a substitute product upon receipt of information regarding a*  
*substitute product from said remote server*  
much less  
*doing so before the transaction session terminates*

Deaton is generally a system for issuing incentive coupons to customers.  
The Abstract of Deaton states:

"A system and method is disclosed for customer promotion. A terminal enters a customer's identification code, along with customer transaction data, at the point-of-sale. A memory stores a database of previously entered customer identification codes and transactions data. Circuitry is provided for generating a signal representative of a customer's shopping history, wherein incentive coupons may be issued to customers in dependence upon the signal."

The Abstract of Deaton contains no suggestion at all of anything being *transmitted to or received from a manufacturer*, much less a *remote server of a manufacturer*, much less of *any offering being performed upon receipt of information regarding a substitute product from said remote server*. In fact, it is clear from other portions of Deaton that the system does not even communicate with a manufacturer, or even store information of a manufacturer. See, e.g., col. 4, lines 40 - 43:

"The system operates at an individual store, and maintains at that store a local customer database of customer records, each identified by the corresponding customer identification number."

The Examiner alleges on page 3 of the Office Action that:

"Deaton discloses a selective incentive point-of-sale marketing in response to customer shopping histories where the manufacturer may then be substituting one cookie in the product line for another"

This is a misleading interpretation of the cited portion of Deaton, which generally discloses that a manufacturer may (through incomplete information) decide to provide coupons for one product (a coupon for one type of cookie) to customers who would have purchased another product anyway (another type of cookie). The cited portion of Deaton (Col. 104, lines 45 - 62) states:

"While the prior disclosure has described infrequent shopping history criteria in terms of store purchases, department purchases or specific product purchases, it is important also to use arbitrary groupings of products and use that as a target criteria. This grouping of products may not include just all cookies for example, but an arbitrary grouping of products might include any number of different types of snack foods. It is important to include arbitrary groupings of products, because if a single product is set up as a criteria and someone is infrequent to that criteria, a manufacturer might believe the customer is not buying chocolate chip cookies and the customer needs to be incented to buy chocolate cookies. In fact, the manufacturer may make many different varieties of cookies, and the customer may buy a different type cookie. Thus, the manufacturer may then be substituting one cookie in the product line for another and having a commensurate reduction in gross profit because they would be using an incentive to do so."

Clearly, the cited portions of Deaton have nothing to do with  
*information regarding a substitute product*

much less

*offering a substitute product upon receipt of information regarding a  
substitute product from said remote server*

much less

*doing so before the transaction session terminates*

Thus, the Examiner has not shown that the references, alone or in combination, disclose or suggest this limitation. The rejection fails for at least this reason.

#### 4.3. No showing of a proper motivation to combine the references

Even if combined, the references still do not yield the advantageous limitations discussed above in Sections 4.1 and 4.1.

Moreover, the Examiner simply has not shown a motivation in the prior art of record to modify or combine the references in the manner proposed by the Examiner, or in any other manner that renders the claims obvious.

#### Applicable Law

Obviousness can only be established by combining or modifying the teachings of the prior art to produce the claimed invention where there is some teaching, suggestion, or motivation to do so found either in the references themselves or in the knowledge generally available to one of ordinary skill in the art. In re Fine, 5 USPQ2d 1596 (Fed. Cir. 1988); In re Jones, 21 USPQ2d 1941 (Fed. Cir. 1992). Furthermore, **particular findings must be made** as to the reason the skilled artisan, with no knowledge of the claimed invention, would have selected these components for combination in the manner claimed. In re Kotzab, 217 F.3d 1365, 1371, 55 U.S.P.Q.2d 1313, 1317 (Fed. Cir. 2000) (emphasis added).

A finding of obviousness requires that the art contain something to suggest the desirability of the proposed combination. In re Grabiak, 769 F.2d 729, 732 (Fed. Cir. 1985). **In the absence of such a showing**, there is inadequate support for the position that the proposed modification would *prima facie* have been obvious. *Id.* The absence of such a suggestion to combine is dispositive in an obviousness determination. Gambro Lundia AB v. Baxter Healthcare Corp., 110 F.3d 1573, 1579 (Fed. Cir. 1997) (emphasis added).

When the art in question is relatively simple, the opportunity to judge by hindsight is particularly tempting. Consequently, the tests of whether to combine references need to be applied rigorously. McGinley v. Franklin Sports, Inc., 262 F.3d 1339, 1352 (Fed. Cir. 2001). In each case the factual inquiry whether to combine references must be thorough and searching. Id., at 1352 - 53.

No Substantial Evidence of a Motivation to Modify or Combine

In summary, the purported motivations to combine and modify the disparate references are, at best, conclusory statements that the proposed combinations and modifications would have conferred an advantage. There is not even the allegation that the prior art demonstrates the desirability of combining or modifying the references.

The Examiner proposes the following motivation to combine West, Fraser and Deaton:

"it would have been to [sic] eliminating the need for the manual collection of data transmission"

Office Action, pages 3 - 4.

Whatever may be meant by "eliminating the need for the manual collection of data transmission", the prior art does not provide for this proposed motivation anywhere in the references of record, and in any event the proposed combination would not in any way benefit from eliminating "manual collection" of anything - neither West nor Fraser involves anything which is "manually collected". Accordingly, the prior art does not motivate the proposed combination of West with Fraser.

The Examiner also proposes the following motivation to combine Fraser and Deaton:



"because such modification would provide develop [sic] customer profiles useful in targeting and implementing marketing and promotions."

Office Action, page 3.

Again, the prior art does not provide for this proposed motivation anywhere in the references of record, and in any event the proposed combination would not in any way benefit from targeting and implementing marketing and promotions. For example, in Fraser there is no "targeting" of customers - any purchase of a particular product by any customer triggers the display of its equivalent product. Accordingly, the prior art does not motivate the proposed combination of Fraser and Deaton.

In addition, the Examiner proposes the following motivation to combine West, Fraser, Jones and Deaton:

"such modification would provide the teachings of West, Fraser and Deaton with the enhanced [sic] necessary to ensure the accurate and timely settlement between consumer goods manufacturers and the retailers of their products"

Office Action, page 4.

Again, the prior art does not provide for this proposed motivation anywhere in the references of record, and in any event the proposed combination would not in any way benefit from additional "timely settlement". Accordingly, the prior art does not motivate the proposed combination of West, Fraser and Jones.

Accordingly, a prima facie case of obviousness has not been made for at least these reasons.

#### **4.4. Nonanalogous References**

##### Applicable Law

In order to rely on a reference as a basis for rejection of the applicant's invention, the reference must either be in the field of the applicant's endeavor or, if not, then be reasonably pertinent to the particular problem with which the inventor was concerned. In re Oetiker, 977 F.2d 1443, 1447 (Fed. Cir. 1992).

##### Factual Findings

The Examiner has not provided any evidence relating to the problem, nor why the references are pertinent to the problem.

The Examiner has not provided any evidence relating to the field of endeavor, nor why the references are in the field of endeavor.

##### No Showing That References Are Reasonably Pertinent to Problem or in Field of Endeavor

Eraser is generally directed to a price comparison system.

West is generally directed to a coupon dispensing system.

Jones is generally directed to a system for recording and auditing transactions at the point-of-sale.

Deaton is generally directed to using a customer's financial instrument account number (check, credit card, debit card) as a unique customer identification number, and issuing incentive coupons to customers.

The Examiner does not at all describe how the disparate references can be considered in the field of endeavor or reasonably pertinent to the problems

addressed. The Examiner has not indicated any facts which permit such conclusions to be made. The rejection fails for at least this reason.

None of the references have anything to do with, e.g., acquiring a customer for a manufacturer when the customer does not, ahead of time, intend to do business with that manufacturer.

#### **4.5. Level of Skill**

##### Applicable Law

A factual predicate underlying an obviousness determination is the level of ordinary skill in the art. In re Rouffet, 149 F.3d 1350, 1355 (Fed. Cir. 1998). The skill level is one component of the inquiry for a suggestion to combine. In re Rouffet, 149 F.3d 1350, 1359 (Fed. Cir. 1998).

Lacking a motivation to combine, there is no prima facie case of obviousness. In re Rouffet, 149 F.3d 1350, 1358 (Fed. Cir. 1998). If examination at the initial stage does not produce a prima facie case of unpatentability, then without more the applicant is entitled to grant of the patent. In re Oetiker, 977 F.2d 1443, 1445 (Fed. Cir. 1992).

##### Factual Findings

Though required to do so, the Examiner has not set forth any evidence relating to the level of ordinary skill in the art, and has not even alleged what the level of skill in the art would be. The rejection fails for at least this reason.

Based on the present record, one could only conclude that the level of skill is low. No reference cited by the Examiner even addresses any problems that are addressed by the present invention.

None of the references permit any acquisition of a customer for a manufacturer when the customer does not, ahead of time, intend to do business with that manufacturer. The prior art does not even recognize that this would be highly beneficial. In addition, the references generally show that the acquisition of new customers was not something which the art successfully addressed.

## CONCLUSION

Thus, the Examiner's rejection of the pending claims are is improper at least because the references of record, alone or in combination, do not disclose or suggest all the limitations of any claim. In addition, in the obviousness rejections the Examiner has improperly combined the references because there is no adequate reasoning or support in the prior art for making the proposed combination. Therefore, Appellants respectfully request that the Examiner's rejections be reversed.

If any issues remain, or if there are any further suggestions for expediting allowance of the present application, please contact Dean Alderucci using the information provided below.

Appellants hereby request any extension of time that may be required to make this Appeal Brief timely. Please charge any fees that may be required for this paper, or credit any overpayment, to Deposit Account No. 50-0271.

Respectfully submitted,



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September 1, 2004  
Date

## APPENDIX A

### CLEAN COPY OF CLAIMS INVOLVED IN THE APPEAL

Claims 17 - 26, 80, 86 and 87 are pending.

Claims 17, 80, 86 and 87 are independent.

17. A method for promoting a sale of a substitute product, comprising:
- receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;
- transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;
- upon receipt of information regarding a substitute product from said remote server, offering said substitute product to said consumer before the transaction session terminates;
- consummating a sale of said original product if at least one of
- (a) no information regarding said substitute product is received from said remote server, and
- (b) said consumer declines said offering; and
- consummating a sale of said substitute product upon acceptance by said consumer of said offering.

CLEAN COPY OF CLAIMS INVOLVED IN THE APPEAL

18. The method of claim 17 wherein said consummating a sale comprises removing transaction data regarding said original product from pending sale data and substituting transaction data regarding said substitute product in said pending sale data.

19. The method of claim 18 wherein said transaction data includes at least one of: product price, product identifier and product UPC code.

20. The method of claim 17 wherein said consummating a sale of said substitute product comprises adding transaction data regarding said original product to pending sale data after said consumer's rejection of said offering.

21. The method of claim 17 wherein said original and substitute products have different manufacturers.

22. The method of claim 17 wherein one manufacturer manufactures both said original product and said substitute product.

23. The method of claim 17 wherein said offering comprises transmitting information regarding said substitute product to said consumer via at least one of: a printer, a display terminal and a speaker.

24. The method of claim 17 further comprising transmitting to said server inventory information of a potential substitute of said original product.

25. The method of claim 17 further comprising transmitting additional information to said server for determination of said possible substitute product, said additional information comprising at least one of: product profit margin information, product inventory information, product expiration date information, retail product price information, product floor price information, product sales information, sale and promotional pricing information, product demand information, product forecast information, product class information, product pricing information, and information regarding product features.

26. The method of claim 17 further comprising transmitting information regarding a sale of said substitute product to said server.



80. An apparatus for promoting a sale of a substitute product, comprising:
- means for receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;
  - means for transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;
  - means for transmitting an offer of said substitute product to said consumer before the transaction session terminates;
  - means for consummating a sale of said original product if at least one of (a) no information regarding said substitute product is received from said remote server, and (b) said consumer declines said offering; and
  - means for consummating a sale of said substitute product upon acceptance by said consumer of said offering.

86. Computer executable software code stored on a computer readable medium, the code comprising:

code for receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;

code for transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;

code for transmitting an offer of said substitute product to said consumer before the transaction session terminates;

code for consummating a sale of said original product if at least one of (a) no information regarding said substitute product is received from said remote server, and (b) said consumer declines said offering; and

code for consummating a sale of said substitute product upon acceptance by said consumer of said offering.

87. A computer readable medium having computer executable software code stored thereon, the code comprising:

code for receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;

code for transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;

code for offering said substitute product to said consumer before the transaction session terminates;

code for consummating a sale of said original product if at least one of (a) no information regarding said substitute product is received from said remote server, and (b) said consumer declines said offering; and

code for consummating a sale of said substitute product upon acceptance by said consumer of said offering.

**APPENDIX B**  
**INDEPENDENT CLAIMS INVOLVED IN THE APPEAL**

Claims 17 - 26, 80, 86 and 87 are pending.

Claims 17, 80, 86 and 87 are independent.

17. A method for promoting a sale of a substitute product, comprising:
- receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;
- transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;
- upon receipt of information regarding a substitute product from said remote server, offering said substitute product to said consumer before the transaction session terminates;
- consummating a sale of said original product if at least one of
- (a) no information regarding said substitute product is received from said remote server, and
- (b) said consumer declines said offering; and
- consummating a sale of said substitute product upon acceptance by said consumer of said offering.

*INDEPENDENT CLAIMS*

80. An apparatus for promoting a sale of a substitute product, comprising:
- means for receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;
  - means for transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;
  - means for transmitting an offer of said substitute product to said consumer before the transaction session terminates;
  - means for consummating a sale of said original product if at least one of
    - (a) no information regarding said substitute product is received from said remote server, and
    - (b) said consumer declines said offering; and
  - means for consummating a sale of said substitute product upon acceptance by said consumer of said offering.

86. Computer executable software code stored on a computer readable medium, the code comprising:

code for receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;

code for transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;

code for transmitting an offer of said substitute product to said consumer before the transaction session terminates;

code for consummating a sale of said original product if at least one of

(a) no information regarding said substitute product is received from said remote server, and

(b) said consumer declines said offering; and

code for consummating a sale of said substitute product upon acceptance by said consumer of said offering.

*INDEPENDENT CLAIMS*

87. A computer readable medium having computer executable software code stored thereon, the code comprising:

code for receiving transaction data regarding an original product presented for purchase by a consumer at a point of sale terminal;

code for transmitting said transaction data to a remote server of a manufacturer during a transaction session for determination of a possible substitute product to be offered to said consumer;

code for offering said substitute product to said consumer before the transaction session terminates;

code for consummating a sale of said original product if at least one of

(a) no information regarding said substitute product is received from said remote server, and

(b) said consumer declines said offering; and

code for consummating a sale of said substitute product upon acceptance by said consumer of said offering.

*INDEPENDENT CLAIMS*